

**To: Housing and Community Safety Policy Board**

**On: 12 May 2015**

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**Report by: Director of Development and Housing**

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**Heading: The Home Energy Efficiency Programme for Scotland: Area Based Schemes (HEEPS:ABS) for 2015/2016 - Update**

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**1. Summary**

- 1.1 On 10 March 2015 the Board approved a report noting the initial allocation for the Renfrewshire Council area under the Scottish Government's Home Energy Efficiency Programme for Scotland: Area Based Schemes (HEEPS:ABS). This report updates members on the final allocation, and the projects which will be supported.
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**2. Recommendations**

- 2.1. Note that funding of £3,920,725 has been awarded for qualifying projects within the Renfrewshire Council area for 2015/2016 under the HEEPS:ABS programme.
- 2.2. Note that the HEEPS:ABS programme reflects consultation with the Federation of Local Housing Associations in Renfrewshire (FLAIR), and incorporates projects which have been assessed as being realistically delivered over the course of financial year 2015/2016, in accordance with Scottish Government guidance.
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### **3. Home Energy Efficiency Programme for Scotland: Area Based Schemes (HEEPS: ABS)**

- 3.1. HEEPS:ABS was introduced by the Scottish Government in 2013/2014 and is expected to run for 10 years. On 10 March 2015 the Board was advised that the Scottish Government had issued guidance and process documentation for the delivery of the 2015/2016 programme. The key objectives of HEEPS:ABS are to reduce fuel poverty, reduce carbon emissions, lever funding from the Energy Company Obligation (ECO) and demonstrate an appropriate fit with a strategic approach to improving energy efficiency. The programme is targeted at private sector home owners particularly in common tenure blocks where social landlords also have an interest. The potential benefit of HEEPS:ABS therefore complements and supports both the continuing maintenance of the stock at levels required by the Scottish Housing Quality Standard (SHQS) as well as the new Energy Efficiency Standard for Social Housing (EESSH).
- 3.2. Local Authorities act as coordinating agents for all HEEPS:ABS programmes in their area. In the previous two years of the programme a total allocation of £4.367M was secured for Renfrewshire from national resource allocations of £60M for each year. This enabled a range of insulation projects to be carried out to support Council, Linstone and Williamsburgh Housing Association programmes, along with support for a smaller energy efficiency project in the Lochwinnoch area as part of a local energy action plan there.
- 3.3. The Scottish Government announced the allocation and bidding process for the 2015/2016 programme on 12 December 2014. Based on a distribution formula agreed with COSLA, each local authority was provided with a core allocation from a national fund of £48M with the balance of £12M to be allocated through a bidding process where Councils are in a position to deliver larger scale and/or more ambitious projects. Accordingly £60M in total is available nationally for 2015/2016 which mirrors the 2013/2014 and 2014/2015 figures.
- 3.4. The core allocation for Renfrewshire for 2015/2016 was £1,213,145. Local Authorities were required to submit schemes for consideration for both the core element and the bid element by 20 February 2015. Following consultation with Housing Association partners a total bid of £4,620,725 was submitted and reported to this Board on 10 March 2015. The submission reflected the prescribed criteria for prioritisation of projects namely:
- ECO rates, leverage and evidence of a secured commitment in place
  - Use of HEEPS:ABS to enable mixed tenure programmes to proceed

- Scale and deliverability within 2015/2016
  - Continuity from schemes approved in previous years
  - Timescale to achieve contractual commitment including procurement timescales
  - Potential for extending delivering over more than one financial year
- 3.5. The Council was advised on 31 March 2015 of the final outcome of the allocation process. In total an award of £3,920,725 has been made to support owners in projects in the Renfrewshire Council area. This will enable energy efficiency measures to be delivered in 1,413 homes. A summary of the allocation is included within appendix 1.
- 3.6. As outlined above approved projects should demonstrate ECO and partner financial support reflecting the extent of measures to be provided and the amount of carbon which can be sold to the participating utility companies for these measures. The external wall insulation and heating measures within the 2015/2016 HEEPS:ABS programme is expected to lever in a further £1,930,350 of ECO support. In addition the HEEPS:ABS award will generate a further £726,500 of partner support funding including the Council contribution towards the George Street district heating replacement project already approved within the Council's HRA and Private Sector (PSHG) grants programmes for 2015/2016.

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## Implications of the Report

1. **Financial**  
Scottish Government allocation of £3,920,725 for 2015/2016 to support owner participation in council and partner projects within the Renfrewshire area.
2. **HR & Organisational Development**  
None.
3. **Community Planning –**  
**Community Care, Health & Well-being** - improving and maintaining housing conditions to the benefit of tenants and private owners. Addressing fuel poverty.  
**Greener** – addressing carbon reduction by insulating homes  
**Jobs and the Economy** - construction firms employ local staff  
**Safer and Stronger** - ensuring the long term sustainability of the housing stock in both social rented and private sectors
4. **Legal**  
None.

5. **Property/Assets**

Improvements in the energy performance of private dwellings, and within Renfrewshire Council and Housing Association stock.

6. **Information Technology**

None.

7. **Equality & Human Rights**

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

8. **Health & Safety**

None.

9. **Procurement**

None. Projects will be delivered within existing frameworks or through managed contracts.

10. **Risk**

Projects require owners' consent and may therefore be delayed, rephased or cancelled if necessary agreements cannot be secured. Consequently substitute addresses may be required in order to meet the carbon reduction obligations of the ECO partners.

11. **Privacy Impact**

None.

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**List of Background Papers**

- (a) Report to Council on 12 February 2015 entitled 'Housing Revenue Account Budget and Rent Levels 2015/2016 and Housing Capital Investment Plan 2015/2016 to 2017/2018.
- (b) Report to the Housing and Community Safety Policy Board on 10 March 2015 entitled 'Housing Energy Efficiency and Carbon Reduction programme 2015/2016'.

The foregoing background papers will be retained within Development and Housing Services for inspection by the public for the prescribed period of four years from the date of the meeting. The contact officer within the service is Brian Spence, Housing Investment Manager, 0141 618 6083, [brian.spence@renfrewshire.gov.uk](mailto:brian.spence@renfrewshire.gov.uk)

## Appendix 1

Coordinating Partner	Project	Target Number of Owners in Project Area	Target Number of Tenants in Project Area	Core/ Bid Element Priority	Amount of Award from Scottish Gov. 31 March 2015
Renfrewshire Council	George Street District Heating Replacement	180	137	1	£265,391
	Gallowhill Common Blocks Solid Wall Insulation Phase 1	120	146	2	£765,000
	Gallowhill Common Blocks Solid Wall Insulation Phase 2	72	110	3	£459,000
	Gallowhill Common Blocks Solid Wall Insulation Phase 3	72	90	4	£459,000
	Gallowhill Common Blocks Solid Wall Insulation Phase 4	68	106	5	£433,500
Linstone Housing Association	Gallowhill Common Blocks Solid Wall Insulation Phase 5 (including Whitehaugh addresses)	67	135	6	£427,125
	Individual House Solid Wall Insulation - Project A	110	0	7	£523,600
	Individual House Solid Wall Insulation - Project B	(125)	(0)	8	-
Administration and Enabling Allowances					£588,109
Award Total –31 March 2015		689	724		£3,920,725